

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 191 – SB 430

March 23, 2017

SUMMARY OF BILL: Requires the Department of Labor and Workforce Development (DLWD) to employ or contract with qualified amusement device inspectors to perform amusement device inspections. Increases from one to two, the number of annual device inspections. Requires device operators to be at least 18 years of age and to be qualified to set up, operate, maintain, and dismantle the device in a safe manner. Authorizes persons injured in accidents to bring a cause of action against owners and operators.

ESTIMATED FISCAL IMPACT:

Increase State Revenue –

Exceeds \$45,000/Department of Labor and Workforce Development

Increase State Expenditures –

Exceeds \$45,000/Department of Labor and Workforce Development

Assumptions:

- Currently, under Tennessee Code Annotated, title 68 chapter 121, amusement device inspections are completed by a qualified third party inspector with all fees associated with the annual inspection transferred between the two private parties.
- The provisions of the legislation require the DLWD to either contract with or employee qualified inspectors to conduct inspections of amusement devices. It is assumed that the Department will contract with the existing third party inspectors to conduct amusement device inspections throughout the state because it is likely the more cost effective option for the Department.
- It is assumed third party contracting costs for the DLWD will be at least \$45,000 per year; the equivalent of a \$25 inspection fee for a minimum 1,800 annual inspections. Therefore, a recurring increase in state contracting expenditures for the DLWD estimated to exceed \$45,000.
- It is further assumed that DLWD will charge inspection fees to amusement device owners/operators sufficient to cover the Department's increased contracting costs with third party vendors; as a result, the recurring increase in state inspection fee revenue to the DLWD is estimated to exceed \$45,000.
- Any additional administrative expenditures for the DLWD to implement these changes will be not significant.

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IMPACT TO COMMERCE:

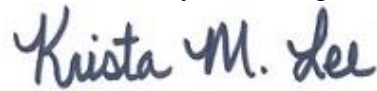
NOT SIGNIFICANT

Assumptions:

- Under the provisions of this legislation, amusement device owners/operators will pay the DLWD any applicable inspection fees, rather than pay such inspection fees directly to independent amusement device inspectors. DLWD will contract with the third party amusement device inspectors. Therefore, amusement device inspectors will be compensated through the DLWD, rather than directly from the amusement device owner/operator. As a result, any net impact to business revenue or business expenditures is estimated to be not significant.
- The provisions of the legislation are not expected to significantly impact jobs in Tennessee.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee".

Krista M. Lee, Executive Director

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